

# Roadblock to change in California

**L**AST month we lamented that Delta water woes were caused in part by lack of governance — no one in charge. The state of California is in worse shape because a system is in place that makes it ungovernable no matter who appears in charge: a political blame game ready to explode.

Attitudes that created current business/political models are out-of-date, and the public believes state governments and even businesses are on the verge of becoming immaterial. This is because the electorate is changing while political/business leaders are stuck in the past.

## Times changing

Major change is occurring, and with luck it will create needed change here and in the rest of America, but don't just take our word for it.

Most Americans, 75%, don't believe chief executive officers' and chief financial officers' statements about their companies' financial positions are credible because they don't detail the real problems facing the companies in the current economic environment, according to a Zogby 463 Interactive survey.

Just as startling, the survey finds Americans have largely given up on manufacturing and traditional industries (including agriculture, we suspect) as the focus of the U.S. economy. Instead

## EDITORIALLY SPEAKING



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most believe technology and the service sector is where the nation should target its efforts. Half of Americans favor a focus on high-tech and service-sector jobs moving forward, not long-standing industries.

The poll also shows that more than three in four Americans (78%) believe that given the current economic uncertainty, focusing on the U.S. market for sales and job creation makes the most sense. Only 12% believes in job creation overseas.

## Irrelevant

More important new research shows that "companies within nearly every industry are on the verge of becoming im-

material with the changing consumer." The nationwide survey was conducted by Resultant Research, the research arm of highly respected brand development firm Stealing Share Inc.

The research asked about issues across a spectrum of industries. It found: Consumers have moved on while companies have stubbornly held onto business models that are now out-of-date. The study shows that 70% of consumers believe the U.S. is falling behind.

"What was most striking is that, while consumers have fundamentally changed, companies they serve haven't," says Tom Dougherty, Stealing Share CEO and president. "The current state of the economy has played a large role in the shift, but the impact of technology cannot be overestimated. Because of all that, companies need to accept new business models or they will lose. And many are losing now because of it."

As the state nears insolvency, leaders are paralyzed by a system that lacks accountability, encourages a stalemate and cannot be guided.

Greedy, angry, self-above-state politicians have placed land mines preventing governance:

■ **Prop 13:** The fiscal effect of Proposition 13 is only one of the damages the initiative is doing to California. Politicians riding a no-tax horse created methods to lessen the measure's finan-

cial impact, making things worse by stealing responsibility for services away from local officials. This created a web of overlapping jurisdiction — which defies accountability. It also gave birth to ballot-box budgeting, as fiscal propositions became a tool for special-interests to control public funds.

■ **Reapportionment:** This is an incumbent protection system, pure and simple. Upshot: Party primaries, not general elections, make decisions. Because primaries draw partisan voters, the most ideological tend to win — assuring the polarization we are seeing in Sacramento, with no motivation to compromise.

■ **Term limits:** These reward short-term, self-interested political thinking more than long-term, public-interest policymaking. Term limits put lobbyists in charge, not the Legislature. Lobbyists raise campaign cash, adding corruption to the process.

■ **The two-thirds vote:** California is one of only three states requiring a two-thirds legislative vote to pass a budget, one of 16 requiring a two-thirds vote to raise taxes — and the only state to require both.

Eureka! Welcome to Gridlock California. Where are the heroes who will recognize the electorate is changing — and have the courage to remove these land mines?

## LETTERS TO THE EDITOR

### What a water web we weave

I very much appreciated your editorial in the July issue of *California Farmer*. I have been deeply involved in the debate concerning the water supplies pumped from the [Sacramento River-San Joaquin River] Delta. There are some insights that you should also be aware of concerning the manipulation of Delta water supplies. You mention Mr. Resnick's part in all of this. As you point out, he owns Paramount Farms, and its public face is Westside Irrigation District.



The Westside Irrigation District is able to game the system only because it is the primary member of the Kern Water Bank Authority, a joint-powers organization formed to manage the Kern Water Bank. The Kern Water Bank comprises a major part of the Kern Fan Element, a proven large groundwater storage bank. It was originally purchased by the Department of Water Resources with the intention of making it part of the State Water Project for storage of State Water. In 1996 it was given to the Kern County Water Agency, which immediately transferred it to the Kern Water Bank Authority.

What is most interesting about this transaction is that a facility — 20,000 acres of land — that was purchased by the State, is given to KCWA and thence to the KWBA for essentially no consideration. Although KCWA is a State Water Project con-

tractor, not all the KWBA members are. Westside Irrigation District, which together with Dudley Ridge Water District (owned mostly by Paramount Farms), has the controlling vote in the KWBA. Westside Irrigation District is not even a KCWA subcontractor for SWP water.

So we end up in a position where an asset, the Kern Water Bank, bought by the State, ends up controlled by a non-participant in the State Water Project, which is profiting from the SWP pumping from the Delta, as you so aptly explained. The State could have just not given away the Kern Fan lands (groundwater storage bank), used [them] responsibly as part of the SWP as intended, and provided benefits only to SWP contractors — what the project was intended to do. Paramount would not even be in the picture.

Arve R. Sjoovold  
Santa Barbara

**Editor's note:** Sjoovold is on the board of the Citizens Planning Association of Santa Barbara County. From 1967-70 he was on the water commission of the city. He is also treasurer of Water for California, a nonprofit.

### More vet, please

Please: more Baxter Black.  
Lee Pliscou  
Loma Rica

### Both sides

I truly appreciate your efforts at getting out both sides on this Light Brown

Apple Moth issue. My colleagues are reluctant to speak out, and there is just no scientific pushback against CDEA/USDA. No one wants this damn pest but ... just cannot throw this kind of money towards this problem without a cold, sober analysis of the reality. I do hope we meet someday.

Jim Carey  
Professor, Department of Entomology,  
UC Davis

### Credit oversight

My name is Jim Prevor and I am the founder and editor-in-chief at Phoenix Media Network Inc. We publish food industry publications in print and online. Among these publications is *Produce Business*. We also have other magazines including *Deli Business*, *American Food and Ag Exporter* and *Cheese Connoisseur*. Although we overlap with *California Farmer* in terms of our interest in many facets of California farming, we are national and international and focused on marketing, and so do not compete with *California Farmer* for advertising or subscribers.

I am a longtime fan of yours. Your online article naming of Kasey Cronquist to the 40-Under-Forty award failed to mention that Produce Business had named Kasey Cronquist to its annual 40-Under-Forty award. But the fact that our name was deleted made me think someone there thought of us as competitors. It seemed a good time to introduce myself and let you know that we are not competitors and we would be happy to cooperate. Perhaps you

might want a guest column related to the buy-side of the industry, or some other way to work together?

Thank you for your time and for producing so much excellent work over the years. Should your travels bring you to South Florida, please look us up. Lunch is on me.

Jim Prevor  
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**Editor's note:** I am honored that you even know *California Farmer* or yours truly exists. I am a regular viewer of *Perishable Pundit* (which I have recommended to many). I am well aware of your deserved reputation and the many journalistic awards. I take full responsibility and apologize. Thanks for reaching out; if you come again to California give us a holler and visit — lunch is on me.

## We want to hear from you!

E-mail your letters to [lrichardson@farmprogress.com](mailto:lrichardson@farmprogress.com).

### Write to:

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All letters must include your name, address and telephone number for verification purposes and should be 300 words or less.